



DEMOCRACY REFORM TASK FORCE WEEKLY NEWS ROUND UP

March 31, 2018

NATIONAL NEWS

[Scott Pruitt, E.P.A. Chief, Rented Residence From Wife of Energy Lobbyist](#)

The New York Times

Scott Pruitt, the head of the Environmental Protection Agency, rented a residence in Washington in 2017 that was partly owned by the wife of a top energy lobbyist whose firm, according to disclosure forms, conducted business before the E.P.A. that same year. Federal ethics rules generally prohibit employees in the executive branch from receiving outside gifts. “From the very beginning, Scott Pruitt has acted as if the E.P.A. is his own personal fiefdom,” Representative John Sarbanes, Democrat of Maryland, who sits on the House committee that oversees the agency, said in a statement.

**Related Story: [EPA Chief's a \\$50-a-Night Rental Raises White House Angst.](#)*

**Related Story: [Democrats Want Details of Pruitt's DC Condo Tied to Lobbyist 'Power Couple'.](#)*

[Lawsuit Alleging Trump Violated Emoluments Clause Proceeds](#)

The Washington Post

A federal judge ruled that the District of Columbia and Maryland may proceed with a lawsuit against President Trump alleging that Trump’s business dealings have violated the Constitution’s ban on receiving improper “emoluments,” or payments, from individual states and foreign governments. The ruling, by U.S. District Judge Peter J. Messitte in Maryland, marks the first time that a lawsuit of this kind has cleared the initial legal hurdle — a finding that the plaintiffs have legal standing to sue the president. In his opinion, Messitte gave credence to arguments by D.C. Attorney General Karl A. Racine (D) and Maryland Attorney General Brian E. Frosh (D) that Trump unfairly profits from business at Washington’s Trump International Hotel, in which the president continues to hold a financial interest.

[Trump Lawyer Raised Prospect of Pardons for Flynn and Manafort](#)

The New York Times

A lawyer for President Trump broached the idea of Mr. Trump's pardoning two of his former top advisers, Michael T. Flynn and Paul Manafort, with their lawyers last year, according to three people with knowledge of the discussions. The discussions came as the special counsel was building cases against both men, and they raise questions about whether the lawyer, John Dowd, who resigned last week, was offering pardons to influence their decisions about whether to plead guilty and cooperate in the investigation. The talks suggest that Trump's lawyers were concerned about what Mr. Flynn and Mr. Manafort might reveal were they to cut a deal with the special counsel, Robert S. Mueller III, in exchange for leniency. Mr. Mueller's team could investigate the prospect that Mr. Dowd made pardon offers to thwart the inquiry, although legal experts are divided about whether it might constitute obstruction of justice.

[IG Investigation Opened Into Surveillance of Trump Campaign Official](#)

The New York Times

The Justice Department's inspector general, facing increasing political pressure from Republicans in Congress and Attorney General Jeff Sessions, said on Wednesday that his office would investigate the surveillance of a former Trump campaign official. The announcement came amid a stream of attacks in recent months from the White House and Republican lawmakers seeking to undermine the special counsel's investigation into Russian interference in the presidential election. The inspector general, Michael E. Horowitz, said he would examine whether law enforcement officials complied with the law and departmental policies in seeking permission from the Foreign Intelligence Surveillance Court to wiretap the former campaign adviser, Carter Page. Law enforcement officials had long had concerns that Mr. Page, a former investment banker based in Moscow, was acting as a Russian agent. Republicans have seized on details about the court-ordered surveillance of Mr. Page as evidence that the Justice Department abused its authority in the Russia investigation. Mr. Horowitz did not name Mr. Page in his announcement.

[FEC Ruling on Stormy Daniels Payment Could Take a Year or Longer](#)

NBC News

Current and former Federal Election Commission officials tell NBC News it could take a year or longer for the FEC to address the case of whether Trump Organization lawyer Michael Cohen's \$130,000 payment to adult film actress Stormy Daniels represents an unreported in-kind, contribution to the Trump campaign. The FEC, which is charged with administering and enforcing federal campaign finance law, is understaffed with two current vacancies on its six-

member commission. And two sources with direct knowledge tell NBC News that the FEC is still closing previous cases from the 2015-2016 election cycle.

**Related Story: [A Look at the Legal Issues Surrounding Payment to Porn Star.](#)*

[Fund-Raiser Held Out Access to Trump as a Prize for Prospective Clients](#)

The New York Times

For Elliott Broidy, Donald J. Trump's presidential campaign represented an unparalleled political and business opportunity. An investor and defense contractor, Mr. Broidy became a top fund-raiser for Mr. Trump's campaign when most elite Republican donors were keeping their distance, and Mr. Trump in turn overlooked the lingering whiff of scandal from Mr. Broidy's 2009 guilty plea in a pension fund bribery case. After Mr. Trump's election, Mr. Broidy quickly capitalized, marketing his Trump connections to politicians and governments around the world, including some with unsavory records, according to interviews and documents obtained by The New York Times. Mr. Broidy suggested to clients and prospective customers of his Virginia-based defense contracting company, Circinus, that he could broker meetings with Mr. Trump, his administration and congressional allies. Mr. Broidy's ability to leverage his political connections to boost his business illuminates how Mr. Trump's unorthodox approach to governing has spawned a new breed of access peddling in the swamp he vowed to drain.

[Wooring Saudi Business, Tabloid Mogul Had a Powerful Friend: Trump](#)

The New York Times

In July, David J. Pecker, the chairman of the company that owns The National Enquirer, visited his old friend President Trump at the White House. The tabloid publisher took along a special guest, Kacy Grine, a French businessman who advises one of Saudi Arabia's richest men and sometimes acts as an intermediary between Saudi Crown Prince Mohammed bin Salman and Western businesses. The two men and other Pecker associates chatted with the president in the Oval Office and briefly met with Mr. Trump's son-in-law and Middle East envoy, Jared Kushner. Before moving on to dinner with the group, the president had a photographer snap pictures of the guests standing with him behind his desk.

[Office that Vets Trump Appointees Plagued by Inexperience](#)

The Washington Post

An obscure White House office responsible for recruiting and vetting thousands of political appointees has suffered from inexperience and a shortage of staff, hobbling the Trump administration's efforts to place qualified people in key posts across government, documents and interviews show. At the same time, two office leaders have spotty records themselves: a

college dropout with arrests for drunken driving and bad checks and a lance corporal in the Marine Corps Reserve with arrests for assault, disorderly conduct, fleeing an officer and underage drinking. The Presidential Personnel Office (PPO) is little known outside political circles. But it has far-reaching influence as a gateway for the appointed officials who carry out the president's policies and run federal agencies.

[Blizzard of Ethics Complaints Filed Against Trump Administration](#)

NBC News

A prominent government watchdog group has filed 30 ethics complaints with various federal agencies — including the White House — alleging that employees are working in violation of President Donald Trump's executive order intended to "drain the swamp" and keep government free of former lobbyists. The group, Public Citizen, filed the complaints in recent days, charging possible violations of ethics rules that Trump announced just days into his presidency. The complaints, obtained by NBC News, cite Executive Order No. 13770, which effectively barred former lobbyists from being appointed, without a waiver, to governmental positions in which they would manage issues they'd lobbied on within the past two years.

[White House Investigating Loans to Kushner's Business](#)

Reuters

The White House is investigating whether two loans totaling more than \$500 million to the family real estate business of U.S. President Donald Trump's son-in-law and senior adviser Jared Kushner violated any criminal laws or regulations, according to the U.S. Office of Government Ethics. Democratic lawmakers asked the White House and Kushner Cos for documents after the New York Times last month reported the loans extended in 2017 by Citigroup Inc (C.N) and the private equity firm Apollo Global Management. In a letter to a congressman made public on Monday, David Apol, acting director and general counsel of the Office of Government Ethics, said, "I have discussed this matter with the White House Counsel's Office in order to ensure that they have begun the process of ascertaining the facts necessary to determine whether any law or regulation has been violated."

[At Adelson's Request, Pruitt Met with Israeli Company That EPA Will Study](#)

POLITICO

EPA has signed a research agreement with an Israeli company that Administrator Scott Pruitt met with last year at the request of GOP mega-donor Sheldon Adelson. The agency will study one of the company's products, an "atmospheric water generator," essentially a giant dehumidifier that pulls drinkable water out of the air. The company, Water-Gen, pitches its technology as useful for remote areas that lack proper water infrastructure. The devices could

also be useful following large-scale disasters that disrupt clean water supplies. Water-Gen sent four water generators to Texas and Florida following Hurricanes Harvey and Irma last year. “EPA believes in facilitating cooperative research efforts that will foster innovative solutions to pressing environmental issues, and looks forward to working with other companies and organizations on technology development efforts,” Pruitt said in a statement on Tuesday.

[E.P.A Says It Wants Research Transparency. Scientists See an Attack](#)

The New York Times

The Environmental Protection Agency is considering a major change to the way it assesses scientific work, a move that would severely restrict the research available to it when writing environmental regulations. Under the proposed policy, the agency would no longer consider scientific research unless the underlying raw data can be made public for other scientists and industry groups to examine. As a result, regulators crafting future rules would quite likely find themselves restricted from using some of the most consequential environmental research of recent decades, such as studies linking air pollution to premature deaths or work that measures human exposure to pesticides and other chemicals.... Critics, though, say that Mr. Pruitt’s goal is not academic rigor, but to undermine much of the science that underpins modern environmental regulations governing clean water and clean air. Restricting the application of established science when crafting new E.P.A. rules could make it easier to weaken or repeal existing health regulations, these people say. The proposal is “cloaked in all of these buzzwords, in all of the positive things that we want to be for: ‘science,’ ‘transparency,’” said Dr. Ivan Oransky, co-founder of Retraction Watch, an independent blog that monitors scientific journals and exposes errors and misconduct. While Dr. Oransky said he agreed that it was critical to hold the scientific process accountable, he said he believed Mr. Pruitt’s intent was to inject doubt into areas of public health where none exists.

[Top Trump Fundraiser Helped Congressman's Wife Land State Dept. Job](#)

Newsweek

A top fundraiser for President Donald Trump who surfaced in Special Counsel Robert Mueller’s probe helped the wife of an influential Republican congressman obtain a State Department job, according to emails reviewed by *Newsweek*. Elliott Broidy — a fundraising machine for Trump and Republicans — does not have a formal position within the Trump administration. But the new emails further illustrate Broidy’s power as a Washington broker, often tapped by other political insiders to reach deep into Trump’s administration and use his outsize influence to get them results. Broidy’s connections have emerged amid a growing focus into his efforts to advance the interests of the United Arab Emirates in the White House, as revealed by Mueller’s investigation of meetings set up by Lebanese-American businessman George Nader.

[Azar Taps Former CVS Executive to Help Lower Drug Prices](#)

The Hill

Health and Human Services Secretary Alex Azar is tapping a former CVS Caremark executive to lead the agency's efforts to lower drug prices. According to HHS, Daniel Best will be Azar's senior adviser for drug pricing reform. Best was most recently a vice president of industry relations for CVS's Medicare Part D business. This included the company's prescription drug plans, Medicare Part D plans and other clients. In a statement, Azar said Best will lead the agency's initiatives aimed at lowering drug prices — a top priority for the Trump administration. President Trump has hit drug companies hard in speeches, once saying they are "getting away with murder." But advocates say he has not backed up those words with actions proportionate to the problem. In his budget last month, Trump proposed a range of relatively modest steps, such as capping out-of-pocket drug costs for Medicare enrollees and allowing up to five states to join together to negotiate drug prices in Medicaid.

[Homeland Security Chief Warns Adversaries Against Election Meddling](#)

The New York Times

Kirstjen Nielsen, the homeland security secretary, recently warned dozens of foreign diplomats — including the Russian ambassador — that the United States would retaliate if adversaries abroad meddled in its coming elections. "To those who would try to attack our democracy, to affect our elections, to affect the elections of other countries, to undermine national sovereignty, I have a word of warning: Don't," Ms. Nielsen told an estimated 80 foreign envoys and other officials during a speech last week, according to a person in attendance. Two other people with knowledge of the event confirmed the comments. All three spoke on the condition of anonymity because the remarks were given at a closed-door meeting. It was an unusually stern warning by Ms. Nielsen, and was among the harshest threats of retaliation by a member of President Trump's cabinet. Ms. Nielsen is one of the most outspoken advocates of the administration's policies, and has resisted being drawn into the controversy over Russian meddling during the 2016 election that put Mr. Trump in office.

[Cambridge Analytica Sent Foreigners to Advise U.S. Campaigns](#)

The Washington Post

Cambridge Analytica assigned dozens of non-U.S. citizens to provide campaign strategy and messaging advice to Republican candidates in 2014, according to three former workers for the data firm, even as an attorney warned executives to abide by U.S. laws limiting foreign involvement in elections. The assignments came amid efforts to present the newly created company as "an American brand" that would appeal to U.S. political clients even though its parent, SCL Group, was based in London.... U.S. election regulations say foreign nationals

must not “directly or indirectly participate in the decision-making process” of a political campaign, although they can play lesser roles. Those restrictions were explained in a 10-page memo prepared in July 2014 by a New York attorney, Laurence Levy, for Cambridge Analytica’s leadership at the time, including President Rebekah Mercer, Vice President Stephen K. Bannon and chief executive Alexander Nix. The memo said that foreign nationals could serve in minor roles — for example as “functionaries” handling data — but could not involve themselves in significant campaign decisions or provide high-level analysis or strategy.

**Related Story:* [Cambridge Analytica's Work for Trump Campaign Prompts Complaint DOJ.](#)

**Related Op-Ed:* [Did Trump Campaign and John Bolton PAC Get Help from Overseas?](#)

[The Supreme Court Case that Could Transform Politics](#)

POLITICO

On Wednesday, the Supreme Court hears arguments in *Benisek v. Lamone*, a case about whether Maryland violated the First Amendment rights of Republican voters by redrawing the state’s congressional districts with the goal of making it unwinnable for an incumbent Republican member of Congress. The case may answer not only that question but also a broader one about the courts’ proper role in the political process: Will the late Antonin Scalia’s view that courts should mostly refuse to police incumbency protection and political self-interest prevail? The *Benisek* ruling revolves around whether the court is willing to let incumbents set the rules for their own elections to office. In many states, legislators have the power to approve the lines used to create districts in which they will run for reelection—and it is no surprise that these districts are often drawn to the majority party’s advantage.

[NRA Says It Receives Foreign Funds, But None Goes to Election Work](#)

NPR

The National Rifle Association acknowledged that it accepts foreign donations but says it does not use them for election work — even as federal investigators look into the role the NRA might have played in Russia’s attack on the 2016 election. Pressure on the organization has also been increased by a McClatchy report which suggested that the FBI had been investigating whether a top Russian banker with Kremlin ties illegally funneled money to the NRA to aid President Trump’s campaign for president. The Federal Election Commission has also opened a preliminary investigation into this question. The NRA is not required to be transparent about how money moves between its various political entities, and this leaves questions unanswered about how these foreign funds were ultimately spent.

[Census to Add Controversial Question on Citizenship Status](#)

POLITICO

The 2020 U.S. Census will include a controversial question about citizenship status, the Commerce Department announced Monday night, a move that sparked outrage from Congressional Democrats, civil rights groups and liberal state attorneys general. California Attorney General Xavier Becerra sued the Trump administration late Monday, arguing that the citizenship question would "botch" the census. "What the Trump Administration is requesting is not just alarming, it is an unconstitutional attempt to discourage an accurate Census count," Becerra said in a statement. Before the announcement, Becerra and California Secretary of State Alex Padilla wrote in an op-ed that including a citizenship question would be "illegal." "The Trump administration is threatening to derail the integrity of the census by seeking to add a question relating to citizenship to the 2020 census questionnaire," the pair wrote in an op-ed in the San Francisco Chronicle. "Innocuous at first blush, its effect would be truly insidious. It would discourage noncitizens and their citizen family members from responding to the census, resulting in a less accurate population count."

**Related Story: [Twelve States to Sue Trump Admin. Over Census Citizenship Question.](#)*

[Will SEC Rule Curb Corporate Political Spending Disclosure?](#)

The Wall Street Journal

A provision in the latest U.S. government spending bill bars the U.S. Securities and Exchange Commission from mandating corporate disclosure of political spending but it won't stop the trend of increased transparency around the issue, said two advocates for more transparent corporate governance. Resolutions seeking reports on a company's political contributions and lobbying spending are ranked one and two on this year's top 10 list of proxy topics of discussion, according to ISS Analytics. Congress is "telling the political spending disclosure tide not to come in when disclosure is becoming the norm by company action," said Bruce Freed, president and founder of the Center for Political Accountability, a Washington, D.C.-based nonprofit organization that advocates greater disclosure of such spending.

[Rep. Renacci Didn't Report \\$50K in Donations as Registered Lobbyist](#)

The Washington Post

Rep. Jim Renacci failed to disclose nearly \$50,000 in political contributions while registered as a Washington lobbyist starting in the late 2000s, according to an Associated Press review of federal records. The review identified five reporting periods from 2008 to 2010 while the Ohio Republican was registered as a lobbyist when he either failed to file the required disclosure form or reported giving no political contributions when he had given. Renacci, a businessman and former Wadsworth mayor, is Republicans' favored candidate to win a GOP primary and take on Sen. Sherrod Brown this fall in one of the most closely watched Senate contests.

[Company Men](#)

The New Republic

More than 100 years ago, at the height of the last Gilded Age, Congress passed its first law prohibiting corporations from spending money to influence election campaigns. From the start, the wealthy chafed against this limit, and some sought to test it in court. Alcohol manufacturers—terrified of high taxes and Prohibition—might not have seemed the ideal candidates to take on this fight. But they were nonetheless the first to challenge the law, contributing cash to candidates in state and federal races and then arguing that any effort to keep money out of politics was no less than an unconstitutional limitation on free speech.... Yet the beer makers finally had their day in 2010, when the Supreme Court issued its ruling in *Citizens United*. In a reversal of last century's common sense, the Court found that corporations did have free speech rights after all and that campaign finance laws placed an intolerable restriction on those rights. In the next presidential election, corporate spending soared. Companies gave over \$70 million in disclosed contributions to super PACs and likely hundreds of millions more in "dark money" donations to political groups that do not have to make public the details of their financing. Donate to one of these organizations and, as one fund-raising pitch put it, "No politician, bureaucrat, no radical environmentalist will ever know."

IN THE STATES

[Maine Senate Endorses Plan to Bolster State's Clean Election Fund](#)

Maine Public

The Maine Senate voted 21-14 today to add \$700,000 to Maine's public campaign financing program. The program, known as the Maine Clean Election Act, currently has over \$6 million, but administrators say more may be needed because of its heavy use by gubernatorial and legislative candidates this year. During the floor debate, Democratic Sen. Mike Carpenter, of Houlton, said it's important to protect the program that Republicans and Democrats use to finance their campaigns. "The majority of legislative candidates, both parties - I haven't done the math, but I believe – taking advantage of this grassroots law that has served us so well."

[Some Gubernatorial Candidates to Seek Public Matching Funds](#)

Providence Journal

While Gov. Gina Raimondo travels the country raising big bucks for her reelection bid, several of her opponents are counting on taxpayers to help finance their campaigns. Asked if they

would be seeking public matching funds, Republicans Allan Fung and Patricia Morgan said yes. Potential independent candidate Matt Brown said yes. Republican Giovanni Feroce left the door open. Only former Republican lawmaker Joseph Trillo, who is running as an independent, said he is unlikely to seek public matching funds when asked by Political Scene last week. This year, the maximum state match for candidates for governor who win their party's nomination, or run as independents, is \$1,177,000. For candidates for lieutenant governor, treasurer, secretary of state and attorney general, the maximum match is \$294,000.

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